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## BEFORE THE ARIZONA CORPORATION COMMISSION

## COMMISSIONERS

MIKE GLEASON - Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

2008 JUL 28 P 3:13

AZ CORP COMMISSION  
DOCKET CONTROL

STAFF OF THE UTILITIES DIVISION,

COMPLAINANT,

VS.

AMERICAN REALTY AND MORTGAGE CO.,  
INC., DBA HACIENDA ACRES WATER  
SYSTEM,

RESPONDENT.

DOCKET NO. W-02258A-07-0470

Arizona Corporation Commission

DOCKETED

JUL 28 2008

DOCKETED BY

PROCEDURAL ORDER

## BY THE COMMISSION:

On August 13, 2007, the Arizona Corporation Commission's ("Commission") Utilities Division Staff ("Staff") filed a memorandum with the Commission's Docket Control Center requesting that a docket be opened in the above-captioned matter.

On August 13, 2007, Staff filed a Complaint and Petition for an Order to Show Cause ("Complaint") against American Realty and Mortgage Co., Inc., dba Hacienda Acres Water System ("American Realty and Mortgage").

On August 23, 2007, the Commission issued Decision No. 69865 which ordered American Realty and Mortgage to appear and show cause why the Commission should not make findings and orders on the enumerated counts; ordered American Realty and Mortgage, if it intended to appear and show cause as ordered, to file a preliminary statement describing how it will respond to the Order to Show Cause and an Answer to the Complaint; and ordered the Hearing Division to schedule further appropriate proceedings.

By Procedural Order issued November 7, 2007, the hearing in this matter was scheduled to commence on February 8, 2008.

1 On February 8, 2008, the hearing commenced as scheduled, but was continued pending filing  
2 of testimony and exhibits by the parties.

3 On February 28, 2008, by Procedural Order, Staff was ordered to file its prefiled its testimony  
4 and exhibits by March 7, 2008, and American Realty and Mortgage was ordered to file testimony and  
5 exhibits by April 4, 2008.

6 On March 7, 2008, Staff filed its testimony and evidence.

7 On March 17, 2008, Mr. Joseph W. Lee filed a Request to Withdraw as Attorney for the  
8 corporation known as American Realty and Mortgage Company, Inc. The Request was granted  
9 pursuant to our Procedural Order dated March 31, 2008.

10 American Realty and Mortgage did not file its testimony and exhibits.

11 On April 25, 2008, by Procedural Order, Staff was directed to file a recommendation on how  
12 to proceed in this matter.

13 On May 1, 2008, Staff filed a procedural recommendation. In its recommendation, Staff  
14 requested that a procedural conference be scheduled and American Realty and Mortgage be put on  
15 notice that if it chooses not to appear and participate, a hearing may be scheduled and convene in its  
16 absence.

17 On May 29, 2008, a procedural conference was held and Staff appeared but American Realty  
18 and Mortgage did not appear. Staff recommended that the hearing be recommenced and indicated  
19 that Staff had mailed correspondence by certified mail to American Realty and Mortgage and its  
20 statutory agent, but had not received a response.

21 On June 6, 2008, a Procedural Order was issued scheduling the hearing to recommence on  
22 July 27, 2008.

23 On June 27, 2008, an evidentiary hearing was held. American Realty and Mortgage did not  
24 appear at the hearing. At the conclusion of the hearing, Staff proposed that it submit a  
25 comprehensive closing statement in writing. The Administrative Law Judge requested that Staff  
26 further brief two additional issues that had arisen in this matter and such filings were to be filed by  
27 July 18, 2008.

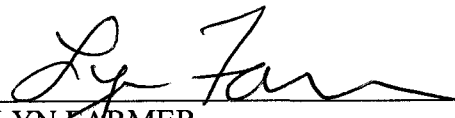
28 . . .

On July 22, 2008, Staff filed a Request for Extension to file Closing Briefs ("Request"). In its Request, Staff stated that it needed additional time to obtain and review the transcripts of a least two open meetings. Staff's request is reasonable and accordingly, additional time for filing the Closing Brief should be granted.

IT IS THEREFORE ORDERED that Staff shall file its Closing Brief on or before August 1, 2008.

IT IS FURTHER ORDERED that any response to the Staff Closing Brief by American Realty and Mortgage, dba Hacienda Acres Water System, shall be filed with Docket Control no later than August 15, 2008.

DATED this 28<sup>th</sup> day of July, 2008.

  
 LYN FARMER  
 CHIEF ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered  
 this 28<sup>th</sup> day of July, 2008 to:

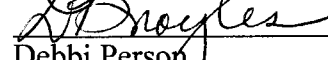
Alma R. Lee, Jr.  
 AMERICAN REALTY  
 & MORTGAGE CO., INC.  
 32241 South Center Street  
 Wittmann, AZ 85361  
**U.S. First Class and Certified Mail**

Ernest G. Johnson, Director  
 Utilities Division  
 ARIZONA CORPORATION COMMISSION  
 1200 West Washington Street  
 Phoenix, AZ 85007

ARIZONA REPORTING SERVICE, INC.  
 2200 North Central Avenue, Suite 502  
 Phoenix, AZ 85004-1481

Alma R. Lee, Jr.  
 AMERICAN REALTY  
 & MORTGAGE CO., INC.  
 P.O. Box 232  
 Wittmann, AZ 85361  
**U.S. First Class and Certified Mail**

Janice Alward, Chief Counsel  
 Legal Division  
 ARIZONA CORPORATION COMMISSION  
 1200 West Washington Street  
 Phoenix, AZ 85007

By:   
 Debbi Person  
 Secretary to Lyn Farmer